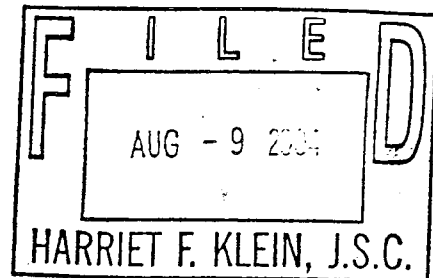


By: Victoria A. Manning
Deputy Attorney General
(973) 648-4802



JOHN J. FARMER, JR.,
ATTORNEY GENERAL OF NEW JERSEY
on behalf of
FRANKLIN L. WIDMANN, CHIEF OF THE
NEW JERSEY BUREAU OF SECURITIES,

v.

Defendants.

FINAL JUDGMENT
AGAINST DEFENDANT
ARNOLD SQUITIERI

This matter having been presented to the Court on the application of Peter Harvey, Attorney General of New Jersey (Victoria A. Manning, Deputy Attorney General, appearing), on behalf of Franklin L. Widmann, Chief of the New Jersey Bureau of Securities (the "Bureau"), for an Order entering judgment against defendant Arnold Squitieri who defaulted in this matter by failing

to answer the Amended Verified Complaint, and plaintiffs and defendant Squitieri having agreed to resolve all issues in controversy regarding the allegations set forth in the Amended Verified Complaint, and the settlement of this matter having been placed on the record before the Honorable R. Benjamin Cohen on September 16, 2003 (Jonathan D. Rudolph, Deputy Attorney General, appearing), and defendant Squitieri, although represented by counsel, Thomas R. Ashley, Esq., having appeared pro se to place the settlement of this matter on the record, and defendant Squitieri having violated: (a) N.J.S.A. 49:3-56(a) by acting as an agent of defendants MLC International Asset Management, Inc. ("MLC") and SHB Holdings, Ltd. ("SHB") in the State of New Jersey without registering with the New Jersey Bureau of Securities; (b) N.J.S.A. 49:3-52(b) by making untrue statements of material fact and/or omitting to state material facts necessary in order to make the statements made not misleading in connection with the offer, sale and purchase of securities on behalf of MLC and SHB investors; and (c) N.J.S.A. 49:3-52(c) by engaging in acts, practices or courses of business which operated as a fraud and/or deceit on MLC and SHB customers, and for good cause shown,

IT IS on this 9th day of August, 2004,
ORDERED:

1. Defendant Squitieri is permanently enjoined from the issuance, sale, offer for sale, purchase, offer to purchase, promotion, negotiation, advertisement or distribution into, from or

within this State of any securities or other investment vehicles or contracts in violation of N.J.S.A. 49:3-60;

2. Defendant Squitieri is permanently enjoined from acting as an unregistered agent in the State of New Jersey in violation of N.J.S.A. 49:3-56(a);

3. Defendant Squitieri is permanently enjoined from future violations of the New Jersey Uniform Securities Law;

4. Defendant Squitieri shall make restitution for losses suffered by investors in the amount and in the manner prescribed by the United States District Court in U.S. v. Squittieri, et al., 00 CR 148 (LAP);

5. Defendant Squitieri shall pay a civil monetary penalty of \$75,000.00 to the Bureau. Payment of the civil monetary penalty may be made in installments of at least \$100.00 per month. The first payment is due to the Bureau on or before February 16, 2005. Such payments shall be in addition to the restitution payments referenced in ¶4;

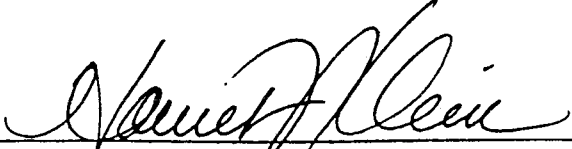
5. Defendant Squitieri shall submit to the Bureau on or before February 16, 2005, a complete and certified response to the Information Subpoena set forth in Appendix XI-L of the New Jersey Rules of Court;

6. In the event defendant Squitieri's response to the Information Subpoena indicates that defendant Squitieri's financial circumstances have changed from September 2003 such that an upward modification of the monthly payment amount toward the civil monetary penalty is warranted, the parties shall confer to attempt

to agree upon an appropriate increase, which shall not exceed Ten (10%) percent of defendant's gross income, and which shall be paid in addition to the Ten (10%) percent of gross income that defendant Squitieri is currently required to pay towards restitution. If the parties are unable to agree on the amount of the increase, plaintiffs may request a hearing. If defendant Squitieri's response to the Information Subpoena indicates that his financial circumstances have not changed from his circumstances in September 2003, defendant Squitieri may continue making monthly payments of at least \$100.00 toward the civil monetary penalty. Nothing in this order shall prohibit plaintiffs from continuing to issue Information Subpoenas to defendant Squitieri to ascertain his financial circumstances;

7. Defendant Squitieri shall take immediate steps to reduce his existing monthly expenses, which he represented in September 2003 to exceed \$5,000 per month; and

8. A copy of this order shall be served on counsel for defendant Squitieri within 5 days of the filing of this order.



Harriet Farber Klein, J.Ch.